

**REMARKS**

In Final Office Action dated August 26, 2008, claims 1 – 14 stand rejected.

Claims 11 – 13 are canceled without prejudice. Claims 1 – 10 and 14 are amended to clarify the claimed subject matter. No new matter is entered.

The Final Office Action rejects claims 7 and 14 under 35 U.S.C. §101 as being directed to non-statutory subject matter. In response, Claims 7 and 14 have been clarified. The rejection is obviated, and it is respectfully requested that the rejection be withdrawn.

The Office Action rejects claims 1 – 14 under 35 U.S.C. §102(e) by Shuster (US Patent 6,826,546).

Independent claim 1 includes, among other things, the feature of: depending on a result of the comparison, calculating a digital watermark associated with the first data sequence and comparing the calculated digital watermark with a watermark associated with the second digital data sequence in order to establish an identity of the first digital data sequence.

According to the Final Office Action, Shuster's first checksum is being equated to applicants' first fingerprint (associated with a first data sequence), and Shuster's library-stored checksum is being equated to applicants' second fingerprint (associated with a second data sequence).

The Office then equates Shuster's second checksum with applicants' digital watermark. However, the equivalencies made by the Office cannot hold because of applicants' digital watermark associated with the first data sequence. In Shuster the first and second checksums are generated from a file corresponding to two different length portions of the file (col. 5, lines 50-64). Thus, the second checksum in Shuster is from a second portion of the file. The second checksum in Shuster is not associated with the first portion of the file from which the first check sum is calculated.

Therefore, the second checksum in Shuster cannot be said to be equivalent to applicants' digital watermark associated with the first data sequence, because the second checksum in Shuster is associated with a second portion of the file, which is different from the first portion. For at least the foregoing reasons, Shuster does not teach each and every feature of applicants' claim 1, and claim 1 is patentable over Shuster.

Independent claims 4 and 8 include similar features as discussed hereinabove. For at least the same reasons as in claim 1, it is respectfully submitted that claims 4 and 8 are likewise patentable over Shuster.

Claims 2, 3 and 7 depend from claim 1. Each dependent claim includes at least the above mentioned features of claim 1 and additional distinguishing features. Therefore, claims 2, 3 and 7 are also patentable.

Claims 5 and 6 depend from claim 4. Each dependent claim includes at least the above mentioned features of claim 4 and additional distinguishing features. Therefore, claims 5 and 6 are also patentable.

Claims 9, 10 and 14 depend from claim 8. Each dependent claim includes at least the above mentioned features of claim 8 and additional distinguishing features. Therefore, Claims 9, 10 and 14 are also patentable.

An earnest effort has been made to be fully responsive to the examiner's correspondence and advance the prosecution of this case. In view of the above amendments and remarks, it is believed that the present application is in condition for allowance, and an early notice thereof is earnestly solicited.

Please charge any additional fees associated with this application to Deposit Account No. 14-1270.

Respectfully submitted,

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